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September 2, 2010

VIA ELECTRONIC FILING AND EMAIL

The Honorable William D. Quarles, Jr.
United States District Judge
United States District Court for the District of Maryland
101 West Lombard Street
Baltimore, Maryland 21201

Fluxo-Cane Overseas, Ltd. v. E.D. & F. Man Sugar, Inc.
Re: Civil No. WDQ-08-0356
Status Report; Response to E.D. & F. Man Sugar, Inc.'s Letter of August 31, 2010.

Dear Judge Quarles:

In response to Mr. Ashton's letter of August 31, 2010, we note that Man Sugar's vituperation is not evidence. The fact remains that this Court has no admissible evidence before it to justify a judgment in favor of Man Sugar, much less to compute pre-judgment interest rate and costs in support of the English action in the English court. Those are matters for that court, not this, and can only be properly addressed in that forum, not here.

With regard to the calculation of interest, Mr. Ashton has unfortunately missed the point of the cited cases. When calculating the application of interest to pre-judgment (and post-judgment) debts, a court can reasonably "net out" offsetting claims by mathematical calculation; an approach that is suitable when offsetting claims arise from the same transaction, or where the debts are subject to the same periods and interest rates. Here, Man Sugar's debt to Fluxo-Cane was subject to a statutory interest rate of 9% per annum, while Fluxo-Cane's subsequent debt to MCA was subject to a contractual rate provision whose validity was not

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apparently determined by the English court, but which was, at most, a rate of 4.787 % per annum.

In any event, we respectfully submit that the Federal Rules of Civil Procedure and the Federal Rules of Evidence could not possibly support an award to Man Sugar on the basis of a claim not found in the pleadings and unsupported by any admissible evidence. Following those Rules and dismissing the counterclaim would not harm Man Sugar – it has recourse to the English Courts, where its claim has belonged all along. On the other hand both Fluxo-Cane and the public interest are harmed by a disregard of well-established Rules of evidence and pleading.

Respectfully submitted;

On behalf of Fluxo-Cane Overseas, Ltd.

-- /s/ --

H. Allen Black III
Winston & Strawn, LLP

Cc: Anthony P. Ashton, Esquire